

claims. The other cited references are similarly deficient. For example, claim 1 recites at lines 13-17 that the program data includes data identifying the authorized merchants. This recitation is not present in the cited prior art. Furthermore, claim 1 recites at lines 28-31 that the transaction data is compared to the program data. This recitation is not present in the cited prior art. Furthermore, claim 1 recites at lines 32-36 that validating data is generated when the transaction involves an authorized merchant using the unique account number of one of the participants. This recitation is not present in the cited prior art. Furthermore, claim 1 recites at lines 41-45 that invalidating data is generated when the merchant involved in the transaction is not one of the authorized merchants. This recitation is not present in the cited prior art. Thus, claim 1 and claims 2-13 depending therefrom are patentable.

Claim 14 is similarly patentable. For example, claim 14 recites at lines 15-18 that the program data includes data identifying the authorized merchants. This recitation is not present in the cited prior art. Furthermore, claim 14 recites at lines 28-29 that the transaction data is compared to the program data. This recitation is not present in the cited prior art. Furthermore, claim 14 recites at lines 30-33 that validating data is generated when the transaction involves an authorized merchant using the unique account number of a participant. This recitation is not present in the cited prior art. Furthermore, claim 14 recites at lines 37-39 that invalidating data is generated when the merchant involved in the transaction is not one of the authorized merchants. This recitation is not present in the cited prior art. Thus, claim 14 and claims 15 and 16 depending therefrom are patentable.

Claim 19 is similarly patentable. For example, claim 19 recites at lines 12-16 that the program data includes data identifying the authorized merchants. This recitation is not present in the cited prior art. Furthermore, claim 19 recites at lines 29-32 that the transaction data is compared to the program

data. This recitation is not present in the cited prior art. Furthermore, claim 19 recites at lines 33-37 that validating data is generated when the transaction involves an authorized merchant using the unique account number of one of the cards. This recitation is not present in the cited prior art. Furthermore, claim 19 recites at lines 43-47 that invalidating data is generated when the merchant involved in the transaction is not one of the authorized merchants. This recitation is not present in the cited prior art. Thus, claim 19 and claim 20 depending therefrom are patentable.

Claim 21 is similarly patentable. For example, claim 21 recites at lines 12-17 that the program data includes data identifying the authorized merchants. This recitation is not present in the cited prior art. Furthermore, claim 21 recites at lines 30-33 that the transaction data is compared to the program data. This recitation is not present in the cited prior art. Furthermore, claim 21 recites at lines 34-37 that validating data is generated when the transaction involves an authorized merchant using the unique account number of one of the cards. This recitation is not present in the cited prior art. Furthermore, claim 21 recites at lines 43-46 that invalidating data is generated when the merchant involved in the transaction is not one of the authorized merchants. This recitation is not present in the cited prior art. Thus, claim 21 and claim 20 depending therefrom are patentable.

Claim 22 is similarly patentable. For example, claim 22 recites at lines 15-18 that the program data includes data identifying the authorized merchants. This recitation is not present in the cited prior art. Furthermore, claim 22 recites at lines 28-29 that the transaction data is compared to the program data. This recitation is not present in the cited prior art. Furthermore, claim 22 recites at lines 30-33 that validating data is generated when the transaction involves an authorized merchant using the unique account number of a participant. This recitation is not present in the cited prior art. Furthermore,

claim 22 recites at lines 37-39 that invalidating data is generated when the merchant involved in the transaction is not one of the authorized merchants. This recitation is not present in the cited prior art. Thus, claim 22 is patentable.

Claim 23 is similarly patentable. For example, claim 23 recites at lines 13-16 that the program data includes data identifying the authorized merchants. This recitation is not present in the cited prior art. Furthermore, claim 23 recites at lines 29-32 that the transaction data is compared to the program data. This recitation is not present in the cited prior art. Furthermore, claim 23 recites at lines 33-38 that validating data is generated when the transaction involves an authorized merchant using the unique account number of one of the participants. This recitation is not present in the cited prior art. Furthermore, claim 23 recites at lines 44-48 that invalidating data is generated when the merchant involved in the transaction is not one of the authorized merchants. This recitation is not present in the cited prior art. Thus, claim 23 is patentable.

Claim 26 is similarly patentable. For example, claim 26 recites at lines 15-18 that the program data includes data identifying the authorized merchants. This recitation is not present in the cited prior art. Furthermore, claim 26 recites at lines 28-29 that the transaction data is compared to the program data. This recitation is not present in the cited prior art. Furthermore, claim 26 recites at lines 30-33 that validating data is generated when the transaction involves an authorized merchant using the unique account number of a participant. This recitation is not present in the cited prior art. Furthermore, claim 26 recites at lines 37-39 that invalidating data is generated when the merchant involved in the transaction is not one of the authorized merchants. This recitation is not present in the cited prior art. Thus, claim 26 is patentable.

4. Claim 2 stands rejected under 35 USC 103(a) as unpatentable over Akel in view of Ray and Lalonde as applied to claim 1 above, and further in view of Processor Certification

Requirements. As noted above, claim 2 is patentable at least for the same reasons that claim 1 is patentable. Furthermore, the cited art does not teach converted points in the context as recited by claim 2.

5. Claim 6 stands rejected under 35 USC 103(a) as unpatentable over Akel in view of Ray and Lalonde as applied to claim 1 above, and further in view of Nair. As noted above, claim 6 is patentable at least for the same reasons that claim 1 is patentable. Furthermore, the cited art does not teach embossing relating to the program in the context as recited by claim 6.

6. Claim 6 stands rejected under 35 USC 103(a) as unpatentable over Akel in view of Ray and Lalonde as applied to claim 1 above, and further in view of Nair. As noted above, claim 6 is patentable at least for the same reasons that claim 1 is patentable. Furthermore, the cited art does not teach a card reader and magnetic strip in the context as recited by claim 6.

7. Claim 10 stands rejected under 35 USC 103(a) as unpatentable over Harris in view of Lalonde as applied to claim 1 above, and further in view of Processor Certification Requirements. It is noted that Harris is deficient for the same reasons as Akel. Thus, as noted above, claim 10 is patentable at least for the same reasons that claim 1 is patentable. Furthermore, the cited art does not teach deleted account numbers in the context as recited by claim 10.

8. Claim 13 stands rejected under 35 USC 103(a) as unpatentable over Akel in view of Lalonde as applied to claim 1 above, and further in view of Small. As noted above, claim 13 is patentable at least for the same reasons that claim 1 is patentable. Furthermore, the cited art does not teach debit cards only in the context as recited by claim 13.

9. Claim 16 stands rejected under 35 USC 103(a) as unpatentable over Akel in view of Lalonde as applied to claim 14 above, and further in view of Small. As noted above, claim 16 is patentable at least for the same reasons that claim 14 is

patentable. Furthermore, the cited art does not teach debit cards only in the context as recited by claim 16.

10. Claim 17 stands rejected under 35 USC 103(a) as unpatentable over Akel in view of Lalonde and Nair. Applicants disagree. Akel is the primary reference and fails to teach a system/method including authorized merchants and unauthorized merchants as recited by the claims. The other cited references are similarly deficient. For example, claim 17 recites at lines 15-18 that the program data includes data identifying the authorized merchants. This recitation is not present in the cited prior art. Furthermore, claim 17 recites at lines 31-34 that the transaction data is compared to the program data. This recitation is not present in the cited prior art. Furthermore, claim 17 recites at lines 35-39 that validating data is generated when the transaction involves an authorized merchant using the unique account number of one of the participants. This recitation is not present in the cited prior art. Furthermore, claim 17 recites at lines 44-47 that invalidating data is generated when the merchant involved in the transaction is not one of the authorized merchants. This recitation is not present in the cited prior art. Thus, claim 17 and claim 18 depending therefrom are patentable. Furthermore, the cited art does not teach debit cards only in the context as recited by claim 18.

Claim 19 is similarly patentable. For example, claim 19 recites at lines 12-16 that the program data includes data identifying the authorized merchants. This recitation is not present in the cited prior art. Furthermore, claim 19 recites at lines 29-32 that the transaction data is compared to the program data. This recitation is not present in the cited prior art. Furthermore, claim 19 recites at lines 33-37 that validating data is generated when the transaction involves an authorized merchant using the unique account number of one of the cards. This recitation is not present in the cited prior art. Furthermore, claim 19 recites at lines 43-47 that invalidating data is generated when the merchant involved in the transaction is not

one of the authorized merchants. This recitation is not present in the cited prior art. Thus, claim 19 and claim 20 depending therefrom are patentable.

Claim 21 is similarly patentable. For example, claim 21 recites at lines 12-17 that the program data includes data identifying the authorized merchants. This recitation is not present in the cited prior art. Furthermore, claim 21 recites at lines 30-33 that the transaction data is compared to the program data. This recitation is not present in the cited prior art. Furthermore, claim 21 recites at lines 34-37 that validating data is generated when the transaction involves an authorized merchant using the unique account number of one of the cards. This recitation is not present in the cited prior art. Furthermore, claim 21 recites at lines 43-46 that invalidating data is generated when the merchant involved in the transaction is not one of the authorized merchants. This recitation is not present in the cited prior art. Thus, claim 21 and claim 20 depending therefrom are patentable.

Claim 22 is similarly patentable. For example, claim 22 recites at lines 15-18 that the program data includes data identifying the authorized merchants. This recitation is not present in the cited prior art. Furthermore, claim 22 recites at lines 28-29 that the transaction data is compared to the program data. This recitation is not present in the cited prior art. Furthermore, claim 22 recites at lines 30-33 that validating data is generated when the transaction involves an authorized merchant using the unique account number of a participant. This recitation is not present in the cited prior art. Furthermore, claim 22 recites at lines 37-39 that invalidating data is generated when the merchant involved in the transaction is not one of the authorized merchants. This recitation is not present in the cited prior art. Thus, claim 22 is patentable.

Claim 23 is similarly patentable. For example, claim 23 recites at lines 13-16 that the program data includes data identifying the authorized merchants. This recitation is not

present in the cited prior art. Furthermore, claim 23 recites at lines 29-32 that the transaction data is compared to the program data. This recitation is not present in the cited prior art. Furthermore, claim 23 recites at lines 33-38 that validating data is generated when the transaction involves an authorized merchant using the unique account number of one of the participants. This recitation is not present in the cited prior art. Furthermore, claim 23 recites at lines 44-48 that invalidating data is generated when the merchant involved in the transaction is not one of the authorized merchants. This recitation is not present in the cited prior art. Thus, claim 23 and claims 24 and 25 depending therefrom are patentable. Furthermore, the cited art does not teach debit cards only in the context as recited by claim 24. Furthermore, the cited art does not teach an incentive award program in the context as recited by claim 25.

Claim 26 is similarly patentable. For example, claim 26 recites at lines 15-18 that the program data includes data identifying the authorized merchants. This recitation is not present in the cited prior art. Furthermore, claim 26 recites at lines 28-29 that the transaction data is compared to the program data. This recitation is not present in the cited prior art. Furthermore, claim 26 recites at lines 30-33 that validating data is generated when the transaction involves an authorized merchant using the unique account number of a participant. This recitation is not present in the cited prior art. Furthermore, claim 26 recites at lines 37-39 that invalidating data is generated when the merchant involved in the transaction is not one of the authorized merchants. This recitation is not present in the cited prior art. Thus, claim 26 and claims 27 and 28 depending therefrom are patentable. Furthermore, the cited art does not teach debit cards only in the context as recited by claim 27. Furthermore, the cited art does not teach an incentive award program in the context as recited by claim 28.

11. Mori as well as all other prior art made of record is deficient for the same reasons as noted above.

Information Disclosure Statement

\* Filed simultaneously with this response is a supplemental Information Disclosure Statement (IDS) identifying pending litigation involving the patents corresponding to this application. During the course of document discovery in this litigation, the undersigned was reminded that claims 1-10, 12-28 were invented by 7 of the 9 inventors whereas claim 11 was invented by all 9 inventors. At the time of the invention, the 7 inventors were employees of Maritz Inc. so that Maritz owned the subject matter of claims 1-10, 12-28 whereas the 2 other inventors were employees of Boatmen's Bank so that Maritz and Boatmen's jointly owned the subject matter of claim 11.

The undersigned believed and continues to believe that, at the time of the invention, the subject matter of claims 1-10, 12-28 and the subject matter of claim 11 were "owned by the same person" so that 35 U.S.C. §103(c) applies. As noted above, at the time of the invention, the subject matter of claims 1-10, 12-28 was owned by Maritz because the 7 Maritz employees invented the subject matter of claims 1-10, 12-28 and the 7 employees were under an obligation to assign to Maritz. Similarly, the subject matter of claim 11 was owned by Maritz (i.e., the same person) because the 7 Maritz employees, along with the 2 Boatmen's employees, invented the subject matter of claim 11 and the 7 employees were under an obligation to assign to Maritz. In sum, at the time of the invention, Maritz was the owner of 100% of the subject matter of claims 1-10, 12-28 and was the owner of an undivided interest in the subject matter of claim 11. The undersigned interprets "owned by the same person" under §103(c) to mean owned *in part or in whole* by the same person at the time of the invention. Thus, Maritz owned the subject matter of claims 1-10, 12-28 and claim 11 at the time of the invention so that §103(c) applies and the subject matter of claims 1-10, 12-28 is not prior art to claim 11 under 35 U.S.C. 102(g).

It has recently come to the attention of the undersigned that MPEP 706.02(1) applies a different interpretation to the



meaning of "owned by the same person" under 35 U.S.C. §103(c).  
In particular, MPEP 706.02(1)(2)I. indicates that:

"The term 'commonly owned' is intended to mean the subject matter which would otherwise be prior art to the claimed invention and the claimed invention are *entirely or wholly* owned by the same person(s) or organization(s) at the time the claimed invention was made." (Emphasis added).

According to this interpretation in the MPEP, the subject matter of claims 1-10, 12-28 would be prior art to claim 11 because claim 11 was owned by Maritz and Boatmen's whereas the remaining claims were owned only by Maritz.

The undersigned submits that there is no basis for the interpretation specified by the MPEP because the language of 35 U.S.C. §103(c) is clear and unambiguous. In particular, §103(c) states "owned by the same person" and not -entirely or wholly owned by the same person- as advocated by the MPEP. Furthermore, the undersigned is not aware of any case law which supports the MPEP interpretation. In fact, there is case law which suggests that 35 U.S.C. §103(c) has a meaning contrary to the MPEP interpretation. See *Bowles Fluidics Corp. v. Mossinghoff*, 620 F.Supp 1297, 1306-7 (note 7), 228 USPQ 513, 518 (D.C.D.C. 1985). Specifically, it appears that the MPEP interpretation is inconsistent with the suggestion of the District Court in note 7, cited above.

In conclusion, the undersigned submits that 35 U.S.C. §103(c) applies to this pending application so that the subject matter of claims 1-10, 12-28 is not prior art to claim 11.

Notwithstanding the above, it is also submitted that claim 11 is patentable over the subject matter of claims 1-10, 12-28. In particular, claim 11 recites that the "network processor comprises a merchant processor linked to a switch processor" and that the "filter processor comprises a banking processor linked to an administrator's processor." None of the prior art, including the subject matter of claims 1-10, 12-28, if this subject matter is considered prior art to claim 11, teaches such

a combination of linked processors as recited by claim 11. Thus, even assuming *arguendo* that the subject matter of claims 1-10, 12-28 and the subject matter of claim 11 were not owned by Maritz (i.e., "owned by the same person") under 35 U.S.C. §103(c) so that §103(c) does not apply, the undersigned submits that claim 11 is patentable over the subject matter of claims 1-10, 12-28.

REQUEST FOR INTERVIEW

It is felt that a full and complete response has been made to the Office action and, as such, places the application in condition for allowance. Such allowance is hereby respectfully requested. If the Examiner believes, for any reason, that this application is not in condition for allowance, Applicants request that the Examiner telephone the undersigned to schedule an interview before issuing a further Office action..

The Commissioner is hereby authorized to charge any underpayment and credit any overpayment of government fees to Deposit Account No. 19-1345.

Respectfully submitted,



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